

Now deficits and interest costs are growing once again. Net interest payments on Federal debt will increase sharply, from approximately \$170 billion in 2003 to more than \$300 billion by 2012. And we face a host of new challenges: the war on terror, the war in Iraq, the threat of North Korea. This has necessarily led to a shift in Government spending toward improving our defense and homeland security capabilities. Yet many of the challenges predating September 11 are still with us: improving education, updating infrastructure, preparing for the retirement of the baby boom generation, which will all severely strain the Social Security and Medicare trust funds.

The CBO predicts that the Federal deficit for fiscal year 2004 will top \$500 billion.

We might dispute the actual amount, but let there be no doubt, it is going to happen. We are going to have the largest deficit in our history this year. A portion of every dollar we spend, from this day forward until the end of September 2004, will be borrowed money—money our children and grandchildren will have to repay.

It is no secret that if citizens wish to receive services or undertake activities as a Nation, they have the right to levy a tax upon themselves to achieve these ends. We have somehow lost this sense of obligation and we have concluded that providing for our national defense, or for the education of our children, requires no more than charging the costs to a Government credit card. This must stop.

In fact, as this supplemental request is currently structured, our children and our grandchildren will pay \$3.60 for every dollar we borrow. This supplemental is not a request for \$87 billion. It actually totals \$313 billion if you include the interest—\$313 billion. It is penny wise and pound foolish to do this the way we are doing it, by not paying for it.

The President of the United States, in January of this year at his State of the Union, said the following words, and we from both sides of the aisle rose in acclaim to these words:

This country has many challenges. We will not deny, we will not ignore, we will not pass along our problems to other Congresses, to other Presidents, and to other generations. We will confront them with focus and clarity and courage.

Well, this is one challenge we are passing on to other Congresses and to other generations. We need not do it. This is a well thought out proposal to temporarily rollback a small portion of the accelerated tax cut for the top 1 percent—the wealthiest of all Americans.

As has been well stated, everyone who falls within this 1 percent makes more than \$310,000 a year in taxable income, which typically means that they are making more than \$420,000 a year in gross income.

We have more income taxpayers in California than any other State. Thir-

teen million out of 34 million people are income taxpayers. In California, this amendment will affect less than 250,000 families paying these taxes. These families are all in the top 1 percent—they are the wealthiest Californians. Not one of them, at any time, has ever come up to me and said: Senator, we want a tax cut. But I have had several come up to me and say: I didn't realize how much money I would receive from the 2001 tax cut. And they have added that it was not really necessary to do it.

We now have an opportunity, by scaling back a small portion of the accelerated cut associated with the May 2003 tax package, to pay for this \$87 billion supplemental. It makes good sense. Think of what it saves for the future in terms of interest costs.

So what we are proposing generates \$87 billion. It is a first step toward putting our fiscal house in order. It pays for the President's supplemental spending request. It doesn't revoke the 2001 reduction in the top income tax rate, nor would it affect any other element of the 2001 tax package. It would merely temporarily raise the marginal income tax rate of the richest in our society. These people could take pride in knowing that this supplemental would not create debt that would be passed on to their grandchildren, to your grandchildren, or to my grandchildren.

I thank the Chair and yield the floor.

The PRESIDING OFFICER (Mr. GRAHAM of South Carolina). The Senator from Kentucky is recognized.

Mr. BUNNING. Mr. President, I rise to raise a few points on the war on terror and offer my support for the President's supplemental request.

First, I am compelled to address the latest round of attacks against the President's request to fund our Armed Forces and rebuilding efforts in both Iraq and Afghanistan.

We are at war. We may not have tens of thousands of soldiers storming the beaches of Normandy. There are no forces with tanks positioned against a potential Soviet advance into Europe.

But let there be no misunderstanding. The war against terror is every bit as important as our fight against fascism in World War II. Or our struggle against the spread of communism during the cold war.

I have full confidence that Kentuckians and the American people realize this. But sometimes I wonder if some of my colleagues do, because appeasement in this war is not an option.

Over the past decade, we have seen the bombing of the World Trade Center in 1993, 19 American soldiers dead in the bombing of the Kohbar Towers, and two U.S. Embassies in Africa blown up in 1996, and the bombing of the USS *Cole* off the coast of Yemen in 2000.

And then, instead of facing the threat of Islamic radicalism, we virtually looked the other way, and sent American forces as peacekeepers elsewhere into places like Haiti, Bosnia, and Kosovo.

We still have thousands of American peacekeepers in Bosnia and Kosovo. And these roles should be played by European forces who refuse to get serious about cleaning up their own backyard.

During the 1990s, the Western world was riding high as the cold war ended. Millions of people around the world found their first taste of freedom. Anti-American rhetoric was a mere fraction of what it is today. The global economy was humming along quite nicely.

However, some in the world digressed as we progressed. The Taliban came to power in Afghanistan with its brutal regime over the Afghan people. Afghan girls were kept out of school.

The regime executed political and religious dissidents. And al-Qaida established training camps freely under the Taliban government.

Saddam Hussein never accounted for his weapons of mass destruction programs. He kicked out the UN weapons inspectors. He defied UN resolutions. He made payments to families of suicide bombers. Mass graves were filled with bodies. He was a destabilizing threat.

And we let our guard down.

We all know what happened next—9/11. And that day changed everything. President Bush and Members of Congress from both parties vowed never again to let our guard down. We vowed to protect the American people at all costs. And the war on terror began.

Difficult times require difficult decisions, but supporting this bill shouldn't be a difficult decision.

Let's show our resolve with our commitment to finish this war on terror. Passing this supplemental will help get us closer.

We cannot pull back out of Iraq now, and should a vote come up in the Senate to pull our support out of Iraq, it would fail overwhelmingly.

Contrary to what opponents say, the war in Iraq is neither a "fraud," a "quagmire," nor a "miserable failure."

This would suggest that our troops sent to liberate Iraq and fight terrorism have died in vain. Nothing could be further from the truth.

From watching the news, one would think the Iraqis want us out of their country. But an overwhelming majority of Iraqis support our involvement there. Our freedom is contagious and we helped liberate them.

Much progress has been made in relatively little time. American troops stayed in Germany for 4 years and Japan for 7. We are still in Bosnia and Kosovo. We can't expect democracy overnight.

Saddam invested in palaces and terror and not his economic infrastructure. Many Iraqis had to wait until Saddam was gone to find their loved ones in one of his mass graves.

It is now time to ensure that the days of mass graves in Iraq ends.

Our military forces deserve quick Congressional action on this bill.

I have been following the 101st Airborne in Iraq. They are based at Fort